



Missouri Department of Natural Resources

MINUTES

MISSOURI SOIL AND WATER DISTRICTS COMMISSION

DNR Conference Center

Jefferson City, Missouri

November 12, 2003

COMMISSION MEMBERS PRESENT: Elizabeth Brown, Larry Furbeck, Philip Luebbering, and Kirby VanAusdall

EX-OFFICIO MEMBERS: DEAN THOMAS PAYNE, UNIV. OF MISSOURI: David Baker; JERRY CONLEY, DEPT. OF CONSERVATION: Bob Miller; PETER HOFHERR, DEPT. OF AGRICULTURE: Judy Grundler; STEPHEN MAHFOOD, DEPT OF NATURAL RESOURCES: Scott Totten

ADVISORY MEMBERS PRESENT: SOIL & WATER CONSERVATION PROGRAM: Sarah Fast; NRCS: Roger Hansen; MASWCD: Peggy Lemons

STAFF MEMBERS PRESENT: Niki Aberle, Davin Althoff, Gary Baclesse, Milt Barr, Gorman Bennett, Jim Boschert, April Brandt, Chris Evans, Noland Farmer, John Forsyth, Rose Marie Hopkins, Gina Luebbering, Joyce Luebbering, Dean Martin, Theresa Mueller, Marcy Oerly, Josh Poynor, Jeremy Redden, Ron Redden, Judy Stinson, Ken Struempfler, Bill Wilson

OTHERS PRESENT: DISTRICTS: GASCONADE: Ron Hardecke, Brenda Kurrelmeyer, Russell Laboube, Diana Mayfield, Dinah Peebles; MONTGOMERY: Brenda VanBooven; OSAGE: Jessica Hackmann; WARREN: Chris Merritt, Debbie Niederer, Polly Sachs; STATE OF MISSOURI: ATTORNEY GENERAL'S OFFICE: Harry Bozoian; DEPARTMENT OF NATURAL RESOURCES: Aimee Davenport, Denise Evans; DEPARTMENT OF TRANSPORTATION: Keith Bailey; **OTHERS:** UNIVERSITY OF MISSOURI: Steve Anderson, Verel Benson, Robert Broz, William Kurtz; **INDIVIDUALS:** Aves Bailey, Wes Bailey, Brad Berhorst, Todd Ellis, Billy Summers

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A. CALL TO ORDER

Chairman Elizabeth Brown called the meeting to order at the Department of Natural Resources Conference Center in Jefferson City, Missouri, in the Bennett Spring/Roaring River Meeting Room at 8:20 A.M.

B. MINUTES OF THE LAST MEETING

Larry Furbeck made a motion to approve the minutes of the September 10th commission meeting as mailed. Kirby VanAusdall seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

C. PLANNING

1. Research Update - Directed Research on Watershed Performance Measures

Dean Martin presented an update on the watershed performance measures. The proposal was to look at three to five watersheds to develop and test the models. It will take 2 to 2 ½ years starting in January, and at cost of about \$360,000. After review of the budget there should be enough to fund the research. The watersheds include the Maries River in Osage and Maries Counties, Long Branch in Macon County, Jenkins Basin in Stoddard County, one watershed that focuses on poultry litter in Southwest Missouri and Miami Creek in Bates County. All of those except the southwest Missouri project all have active Special Area Land Treatment projects in them.

Dr. Verel Benson, Environmental Program Director FAPRI at the University of Missouri, presented information about the customized model that Missouri would use for evaluating best management practices at the watershed level.

The goal of the proposal was to adapt the Soil and Water Assessment Tool to make it available to evaluate watersheds, particularly in best management practices. Some of the things that it would do are; provide water quality information, help to direct cost-share programs, and should help develop watershed management plans. The purpose is to facilitate the use of the Soil and Water Assessment Tool by state agency personnel. The training of state agency personnel will be in a separate project. The objective was to determine the effectiveness of the Soil and Water Assessment Tool in evaluating the benefits of best management practices in a watershed. There will be specific databases developed such as, weather, soil properties, hydrology, and management – how the system works.

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The Soil and Water Assessment Tool is a model that has 300 or 400 equations, and has been developed over the past 30 years by a combination of universities, and other agencies. The model will give you the opportunity to look at surface runoff, subsurface flow, infiltration, return flow that comes back in to the stream, erosion and sediment yields that can be calculated on a daily basis, bacteria, and BOD in a stream are some of the things the model will provide.

In the watershed analysis process a steering committee is needed to give guidance on the local area. Next you inventory the data that is already available, and analyze the quality of the data. Then you put together the model and calibrate it to a specific watershed. After that you need to establish a baseline that you can compare those results to the results that you get when you look at a combination of best management practices. The time frame for this phase is January 2004 – June 2006.

The information that will be provided by this will help stakeholders assess and evaluate watershed issues. Stakeholders will be able to evaluate alternative management practices and systems, and help develop efficient and effective sharing of cost and benefits among the watershed stakeholders.

In response to a question from the commission, Dr. Benson stated that the Soil and Water Assessment Tool tracks nutrients and pesticides, and chemicals so it should be able to provide indicators of how different management practices are reducing what enters lakes and streams.

When asked by the commission about training, Dr. Kurtz stated that training would be in the second phase of the project. There will be training for Soil and Water Conservation technicians, and other agency personnel. At the present time, the university has a class called Hydrological Modeling that could be a model for the training.

Roger Hansen stated that his understanding was that these kinds of models were effective in showing the impacts of conservation treatments of large watersheds, but for a specific structure, this kind of model would not be appropriate

When asked about getting others to share in the cost, Mr. Martin indicated that there were many interested in this project, such as Water Pollution, and Conservation, but no one had volunteered to put any money in. The hope was that when this gets started there would be some additional funds to help. At this time there were no guarantee of this happening. He also informed the commission that there were sufficient funds to carry this project. It was estimated that there was about \$300,000 to \$400,000 available for research.

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Larry Furbeck made a motion to approve the research project as it was presented. Philip Luebbering seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously

2. Update on New Computer Programming

Milt Barr presented an update on the new computer program and data processing support issues. The program received a letter from the chairman of the Harrison District Board of Supervisor with questions regarding the data base system initiatives.

The Soil and Water Conservation Program primarily has used Microsoft Office tools such as Access and Excel to create customized data base management systems. The District Cost-Share program is the primary cost-share system, and was a customized program purchased and maintained by the state with annual contractor support to help the program office and the districts to maintain the program. The Payment and Evaluation Tracking system is another Microsoft Access database with an ongoing maintenance contractor. It is being updated to consolidate and track specific data from all of the other systems at the program office level. The Microsoft Office Tools were not designed to handle large amounts of data with many integrated users. These customized programs had to be updated constantly with new version changes, which made the customized programs sometimes useless until the updates could be loaded and tested for compatibility. These kinds of changes required significant contractor and staff time. When updates were finally made, especially to the District Cost-Share system, all of the 114 plus copies of the programs had to be changed. Another fact facing the districts was that almost all network secure systems, including the Department of Natural Resources and the United States Department of Agriculture are not allowing customized systems on their network computers.

Because of many of these problems developing with legacy systems in 2003, there was not much choice except to start planning a transition to some kind of centralized application development and web based systems. The department required that contracts to service legacy systems would only be approved to maintain legacy systems and then only if plans to convert the legacy systems were established at the division level.

In late June the Water Protection and Soil Conservation Division plan approved maintenance only contract service for the Soil and Water Conservation Program legacy systems and approved TIER Corporation, who is the primary state

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contractor for web based systems, to developed a proposal to analyze the legacy systems for conversion to a central web based integrated system. The TIER Corporation personnel and program staff met regularly to document many of the functions. They also visited some of the district offices to observe the interactions and discussed the processes with the staff. The analysis of the legacy systems by the TIER Corporation was completed by November 1, 2003, and they are now working on the cost estimates. The initial estimate, before analysis began, was between \$300,000 and \$400,000 depending on options. TIER staff conducted 797 hours of work at a cost of approximately \$85,000 to complete the analysis, which was under the original estimate of \$150,000. Their reviews, findings, recommendations, timelines, and estimates are projected to be complete by December 15, 2003.

Milt then referred to a letter to the program director from the Harrison District, which was one of the visited districts, that listed some overall questions and concerns about data processing changes and how they might affect the district. A program letter of response was also provided for the commission's review.

The first question was basically why were there changes and the response to the letter primarily listed the information already discussed.

The next question was about information security. With the new system only authorized users will have access to the systems, with appropriate passwords and authorizations.

Other concerns about how district operations would be affected were addressed by the fact that the district staff would not have to worry about the local software or hardware to be able to access and use the programs. The central system would also ensure appropriate daily backups.

The next concern in the letter was about the time and money expense for this web system, especially so close to the Soils Sales Tax renewal. The program continually pays for contract support for the current custom-built software programs. They have become more and more costly; due to having contractors maintain and update the constant changes while trying to create fixes for the many different problems with working in different networks and with different hardware for the 114 plus districts and program office. A central web based system would not be constantly having to be changed and if a change was needed to be made it would be to one location and accessible to all users immediately. Another factor discussed was that of the data base being centralized for integrated use and historical record that could be used in overall reporting of data for future geo-spatial information systems that are being integrated nationwide.

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The last and most important concern in the Harrison letter was that of a feeling that the projected data management system changes might appear to take away decision-making responsibility from the district supervisors. The response to this concern was summarized in that changes needed in the administration of the state provided program software and the use of an internet web-based approach should not in any way affect the decision-making authority or the responsibility of district supervisors. The data base system will be an administrative tool to support the commission and district programs in the future information network environments.

If the project is considered feasible at the program and division level, it will go to the Department Information Management Prioritization Committee for review. The first phase for design, elaboration, and construction could possibly start with in the next six months. The second phase could be completed between 18 and 24 months, depending on options of conversion and training.

In response to a question about connectivity at the district offices, Sarah Fast indicated that that was a part of the next phase. Management information technicians in the department are coordinating with Natural Resources Conservation Service technicians to start planning for this. Most districts are co-located with Natural Resources Conservation Service and connected through their high quality commercial type services. There are a dozen or so stand-alone districts offices that do not have access to the Natural Resources Conservation Service network, but do purchase local lessor quality internet service. The discussion indicated that the commission might have to commit additional funds to these districts to help them get to a higher level of support. Roger Hansen, the Federal State Conservationist, suggested that the program pursue a web system like this, to be able to run their own core programs from a central state website. He gave examples of other states that tried to put the programs on federal computers or networks and ended up risking the loss of access to them. Mr. Hansen also said that the Natural Resources Conservation Service was also trying to support all of the district offices with internet services to make the federal work more efficient also and there might be some mutual help he could provide. Mr. Hansen and Sarah Fast then discussed that a ball park figure of cost to upgrade stand-alone systems for a districts could be approximately \$5,000 to \$10,000. District offices in very remote rural areas obviously may cost more for a higher quality connection. Peggy Lemons stated that the districts should be getting involved with this because some districts are buying computers now and this might make a difference on what they buy and when they buy. Milt Barr indicated this was a very good point to discuss. The new web based system would be able to be used with most computers with standard type internet

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browsers in the staff offices hooked to the network instead of having to have just one different types or two with stand alone copies of specific software.

3. Overview of Planning Workshops at Training Conference

Bill Wilson presented an overview of the training conference that is to be held in December. The training conference will begin on Monday, December 1st, at 8:00 am. with a joint meeting of the Soil and Water Districts Commission and the Missouri Association of Soil & Water Conservation Districts. There are training sessions scheduled for Monday, and workshops scheduled for Tuesday. The conference will open on Monday with the chair, Elizabeth Brown, moderating and Mark Mayfield will give the opening address. The conference will conclude on Wednesday at noon with the lunch/awards. The conference was put together based on the information and suggestions from the planning advisory committee. Some of the main items that the committee recommended were longer times for the workshops and that they be offered more frequently. There are four workshops that focus specifically on the planning effort. They are Planning for the Future, Communicating Successfully with Everyone, Planning from the Ground Up, and An Action-oriented Soil and Water Conservation District.

4. Conservation Reserve Enhancement Program Update

John Forsyth presented an update on the Missouri Conservation Reserve Enhancement Program. The program is jointly funded through federal and state dollars to support partnerships in the protection of rural public drinking water reservoirs from nonpoint source pollution. The Missouri Conservation Reserve Enhancement Program has helped to reduce sediment, nutrients, and herbicides from entering drinking water reservoirs by taking cropland that is located in the watershed out of production for 15 years. The program is eligible to enroll 50,000 acres in these areas. There are 14 counties that currently have Missouri Conservation Reserve Enhancement Program contracts.

The total amount of money spent for the implementation of practices in the program is approximately \$633,500. The breakdown for the past two years for the amount was \$317,500 of federal dollars, \$158,000 of Special Area Land Treatment dollars, and \$158,000 from the landowners. The Public Drinking Water Program contributed approximately \$1,500,000 in rural water grants for the signing incentive payment over the past two years. This money is not part of the implementation cost of the practice, but is the 150 percent signing incentive that the State of Missouri committed to in the original agreement.

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If no additional contract were awarded to Missouri landowners, the Missouri Conservation Reserve Enhancement Program would have 210 contracts with an average of 58 acres per contract for a total of 12,289 acres. The average rental rate would be \$87.00 per acre.

The original Conservation Reserve Enhancement Program agreement between the United States Department of Agriculture and the State of Missouri expired on December 31, 2002, but before the end of the agreement, work was started on an amendment to extend the program to 2007 which is the end of the current farm bill. Currently work is being done on a second amendment to the agreement to add two new practices, Wildlife Habitat on Marginal Pastureland and Wetland Buffer on Marginal Pastureland.

Mr. Forsyth is working with districts that are not currently enrolled in the Missouri Conservation Reserve Enhancement Program, but are eligible. The reason for this is so that all the money that has been spent in traditional cost-share and Agricultural Nonpoint Source cost-share in the watersheds can be captured. This would add to the 20 percent match that the State of Missouri is required to have.

D. APPEALS

1. Cost-share

a. Gasconade Soil & Water Conservation District – Landowner Appeal of a Board Decision Denying Cost-share for Brush Removal on a Permanent Vegetative Cover Establishment

Marcy Oerly presented a landowner appeal for cost-share for brush removal on 44.1 acres on which a Permanent Vegetative Cover Practice was installed.

The commission's Permanent Vegetative Cover Practice policy concerning eligible cost-share components states, "Cost-share assistance is authorized for lime and fertilizer, eligible seed, seeding operation, and seedbed preparation, including grass and weed herbicides in a no-till system of grass establishment, or mowing or brush-hogging the field, as technically required. Cost-share assistance is limited to the minimum amount of lime, fertilizer and seed needed to establish adequate cover to control erosion."

The commission's Permanent Vegetative Cover Practice policy concerning maintenance states, "The landowner must maintain the practice in accordance with Natural Resources Conservation Service

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Standards and Specifications for the life span of the practice. Cost-share must be refunded if the landowner destroys the cover during its maintenance life. The maintenance life of this practice is 5 years.”

On August 5, 2002, the Gasconade Board of Supervisors approved three Permanent Vegetative Cover Practice applications for Mr. Ellis for a total of 44.1 acres of seeding. He had seeded a mixture of fescue and red clover using a conventional seedbed preparation method. According to the Natural Resources Conservation Service, the seeding met specification and the board approved the claims on February 2, 2003. The total cost-share for the three Permanent Vegetative Cover Practices was \$4,398.

In a letter dated August 26, 2003, from Mr. Ellis, he explained that on August 4, 2003, he made a request to the Gasconade Board of Supervisors for cost-share assistance for brush control on the 44.1 acres that had been seeded through the Permanent Vegetative Cover Practice. This was due to the fact that a variety of brushy sprouts had developed on the fields since the seeding had been certified complete. Mr. Ellis went on to explain in his letter that after discussing the issue with the board, they agreed that he had a brush control issue, but that they could not approve his request for cost-share assistance. This was based on the fact that commission policy does not allow cost-share assistance for brush control on an already established seeding that meets the Natural Resources Conservation Service’s specifications. Brush control is considered a part of the maintenance responsibility of the landowner, and the use of chemicals was not part of the original Permanent Vegetative Cover Practice applications.

Mr. Ellis stated that the practice did meet Natural Resources Conservation Service’s standard because it was approved. Mr. Ellis approached the district board in late spring after sprouts and grass started to come up. According to photos presented to the commission, he stated that there were a lot of sprouts in the field. One reason why he requested for the Permanent Vegetative Cover Establishment was because of the issue of sprouts. The Natural Resources Conservation Service went out to the field and stated that it did qualify for one of their erosion programs because there was not enough sufficient ground cover. Mr. Ellis stated that according to the county board, the sprouts fall under the maintenance of the landowner. According to Mr. Ellis the county board agrees that there is a sprout problem in the fields and an option would be a chemical spray. Mr. Ellis does not see how it could be certified in February. It was in early spring that he contacted the county board to look at the field. According to Mr. Ellis, because of the type of field preparation that was

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done on the fields, and due to the fact that the sprouts had a large root base, the field preparation agitated the roots and made them multiply.

In response to a question from the commission, Mr. Ellis indicated that he does have a grass bed coming through. Philip Luebbering stated that part of cost-share is that the landowner has a responsibility. If a grass stand was established, part of the maintenance agreement is that the landowner maintains the grass stand. According to Elizabeth Brown this is commission policy. When asked by the commission, Mr. Ellis indicated that he did not believe that with the practice, the sprout issues had been minimized above what he had before the practice. Brenda Kurrelmeyer, Gasconade District Technician, stated that she was not at the first visit to the fields, so she did not know what was actually in the fields in regards to the sprouts. She reported that there is a tremendous ground cover at the present. She felt that they had achieved what they set out to do. She presented pictures that were taken at the first of the month that showed that the sprouts were dying. Ron Hardecke from the Gasconade Soil and Water Board, stated that he was first aware of the sprout issue when Mr. Ellis came to the board to ask them to help control the brush after his Permanent Vegetative Cover Practice was completed. The board reviewed his request with the assistance of the district technician and Natural Resources Conservation Service technicians, and they all indicated that there was good coverage. There was nothing found that would allow the board to go in with a chemical application. He indicated that if the landowner had chose to do a no-till method it would have included a chemical burn down.

Due to a lack of a motion, the commission will maintain current policy.

b. Monroe Soil and Water Conservation District – Pay Jarboe Claim from Fiscal Year 2003 Funds

Marcy Oerly presented an appeal from the Monroe Soil and Water Conservation District to fund Roberta Jarboes' waterway claim from fiscal year 2003 cost-share funds.

At the May and July 2003 commission meetings, Mrs. Jarboe appealed a decision from the Monroe Soil and Water Conservation District to deny cost-share assistance for berm removal. At the May meeting it was decided to revisit the issue, at the July meeting the commission upheld their May decision and denied Mrs. Jarboe's request.

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A letter dated September 24, 2003, from the Monroe Board of Supervisors reiterated that the commission requested additional information at the May meeting. Since the next meeting was to be held in July, the claim would cross the 2003 fiscal year, which would end on June 30th. In the letter it stated that Ron Redden and Marcy Oerly indicated that since the commission meeting would not be held until July, the district could take the cost-share obligation from fiscal year 2003 funds rather than from fiscal year 2004 funds.

The program sent a letter dated October 9, 2003, to the Monroe Soil and Water Conservation District stating that there may have been miscommunication between the program office staff and the district staff regarding the fiscal year funds that would be used to pay the cost-share claim. In a letter dated May 23, 2003, to Mrs. Jarboe, a copy was also sent to the district, the program office explained that if she did not claim her waterway expenses by June 25, 2003, the district had the option to either cancel her claim or extend the termination date into the next fiscal year. It further explained that by extending the termination date into the next fiscal year, the district would have to use their fiscal year 2004 cost-share allocations to pay the claim. The October 9, 2003 letter to the district also indicated that there may have been confusion at the July meeting when Mr. Furbeck offered an option to provide additional state cost-share funds so that the district did not have to use their funds to cover the cost of the berm removal. However, the alternative was not made into a motion and the commission's original decision from the May meeting stood.

The program office's policy is that if a cost-share claim is prost-marked by June 30th and a problem is later found, the money obligated for the claim would come from the district's current fiscal year funds.

In this case, the Monroe board approved an amendment on June 25, 2003, to extend Mrs. Jarboe's waterway claim until September 30, 2003. The claim was not certified complete until August 14, 2003, and not board approved until September 11, 2003. The program office did not receive it until September 17, 2003, which was 2 ½ months past the June 30th deadline.

At the July meeting an appeal from the Osage Soil and Water Conservation District asked the commission to allow cost-share claims that were hand carried into the program office after the June 30th deadline to be paid from their fiscal year 2003 cost-share funds rather than their

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fiscal year 2004 funds. The commission denied that request and the claims were paid from their 2004 funds.

Kirby VanAusdall stated that it was not a matter of if it gets paid, but if it gets paid out of fiscal year 2003 or fiscal year 2004. He also stated that it appeared that the district had enough funds.

Kirby VanAusdall made a motion to deny the appeal. Philip Luebbering seconded the motion. When polled, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

2. Special Area Land Treatment

a. Osage Soil and Water Conservation District – Landowner Appeal

Ken Struempf presented an appeal for payment on 60.3 acres for Waste Utilization in the amount of \$603.00 and Pasture and Hayland Management for \$422.10 for a landowner in the Loose Creek Special Area Land Treatment watershed.

Due to the lack of technical documentation, payment on the Waste Utilization practice could not be made. In a letter from the landowner, minutes from the Osage Soil and Water Conservation District, and a board letter stated that soil tests were never taken. For the Waste Utilization practice the N590 standard for Nutrient Management, contained in the Field Office Technical Guide, will be used and it clearly states that “nutrient application rates shall be based on soil test information.” This standard cannot be met without a current soil test.

The Natural Resources Conservation Service district conservationist signed both the application and the claim.

Before the claim was denied, program staff discussed this claim and others with the Natural Resources Conservation Service State office. They were aware of the technical concerns in Osage County and have recommended that program staff require the full nutrient management plan to accompany the Waste Utilization and Nutrient Management claims from the Osage District. As of November 11, 2003, program staff had not seen a nutrient management plan for the acres in question.

After the claim was denied because of lack of a nutrient management plan, the board discovered another error in the amount of acres on the claim. In

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a letter from the board, the district approved the landowner for the full 60.3 acres, but he only owns 10.2 acres. In June 2002, the landowner signed the application for the waste utilization practice, but at that time only eligible participants according to commission policy, were the actually landowners. At the time that the landowner made application, commission policy would have only allowed him to sign up for 10.2 acres.

Mr. Struempf made available to the commission copies of letters and applications regarding this claim.

A technical review was done for Osage County on August 15, 2002, when similar circumstances occurred. After these issues were noted, Natural Resources Conservation Service provided additional training to correct these errors. In addition to this claim, recently program staff returned another claim for a landowner in Osage where the soil tests appeared to have been taken after litter was applied and phosphorus was over applied on some of the acres.

During the discussion, Roger Hansen from Natural Resources Conservation Service stated that they had done some reviews, and there were some things that could be improved upon. He also indicated that they had taken management action to improve their part.

Kirby VanAusdall and Philip Luebbering both questioned if the landowner knew that a soil test was needed, because of the documentation that the commission had in front of them did not indicate that for the landowner to comply he had to have a soil test. Mr. Hansen indicated that due to the death of the district technician, there is no way to know what the landowner was told. Mr. Hansen reviewed the technician's May 29, 2002 notes where it was written that he had talked to the landowner, the landowner wanted to sign up for Agricultural Nonpoint Source NMP, and that soil samples would be taken and would send a cost-share application to the landowner. He also stated that it has been Osage's policy, for the district to sometime take the soil sample for the landowner. Kirby VanAusdall reiterated that the situation was unfortunate, and he would not want to deny the claim if the landowner thought that he had done what he was suppose to do. Mr. Hansen stated that the only other issue was that it is district policy that you have to be the landowner to sign the application.

In response to a question from the commission, Ken stated that after the claim was denied, district personnel did some more research and found that Mr. Bailey only owned 10.2 acres and the rest was owned by others.

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Since the board approved the claim for 60.3 acres, Mr. Bailey may not have known that he was not eligible to sign-up for that practice. Mr. Hansen stated that one place that they check for ownership is Farm Service Agency records. The landowner stated that he thought that as long as he was the leasee he had control to sign up for the program. He also indicated that he was never made aware that he had to have a soil test, he did not find that out until mid to late August of this year. He disagreed with one point in the letter dated October 28 from the Osage Soil and Water Commission that had he did not contact the Soil and Water office after he went to their September 24, board meeting. He stated that he called the office on Monday, September 29, 2003, for them to go ahead and take the soil sample and he was told that someone was already on their way. At the September 24, 2003 board meeting, he was given two options. The first was to have the fields' soil tested; the second option was to have the commission hear his case. Mr. Bailey also stated that he was also approved for the same 60.3 acres for the current year and that no one had contacted him about a nutrient management plan or taking soil samples.

Jessica Hackmann stated that she was 99 percent positive that the prior district technician told Mr. Bailey that he had to be the legal landowner. In response to a question about how to keep this from happening again with his pending applications, Ms. Hackmann stated that his application for this next year had been cancelled. She stated the district cancelled his application due to the fact that he could not have the application because it overlapped the previous claim. The landowner responded with concerns that he had been cancelled and not notified by the district.

Larry Furbeck made a motion to approve the appeal for both practices for a total payment of \$1,025.10 for 60.3 acres. Philip Luebbering seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

E. REVIEW/EVALUATION

1. Land Assistance Section

a. Cost-share

1. Monthly Cost-share Usage Report

Noland Farmer presented a cost-share usage report. In fiscal year 2003, the districts had obligated 42 percent of the \$23,900,000 that they had been allocated. So far in fiscal year 2004, 48 percent had

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been obligated out of the \$22,600,000 that they were allocated. As of September 30, 2003, the districts had claimed 8 percent of the funds allocated for fiscal year 2004, compared to 9 percent in fiscal year 2003 for the same time.

With the additional allocations made available from fiscal year 2003 re-appropriated funds, the districts total allocation was approximately \$22,600,000 for fiscal year 2004. It was projected that only \$20,000,000 of the funds allocated would be claimed. The reason for this is that it was very unlikely that the entire amount allocated would be claimed. This was based on amounts claimed in previous years, in relation to the total allocation made available to the districts.

As of September 31, 2003, \$3,000,000 in claims had been processed.

2. District Assistance Section

a. Review of Fiscal Year 2003 District Assistance Grant Usage

Jim Boschert reviewed the fiscal year 2003 district assistance grant. The report was to show how \$1,261,992 in the benefit grant and \$6,400,000 in the district assistance grant was used. In fiscal year 2003 there was a \$500,000 expansion in the district assistance allocation. Any district that was below \$44,000 was given funds to bring them up to that amount. The \$44,000 was seen, as the amount needed to fund two positions in each district. There was an increase from \$4,000 to \$5,000 for each district in the matching grant. If a district was above the \$44,000 allocation, they were given an additional \$897. The allocation committee developed the distribution method.

In fiscal year 2003, districts spent \$7,204,415 of the \$7,661,992 that was available in the district assistance grants. This represented a 94 percent usage of the funds. For fiscal year 2003, 37 percent of the district assistance grant was used in the management services grant for gross salary, benefits and travel for district employees. There was 29 percent used in the technical service grant for gross salary, benefits and travel for district technicians. The remainder of the 94 percent was comprised of 8 percent for the administrative expense grant, 7 percent for the matching grant program, 9 percent for health insurance, and 4 percent for retirement. There was 6 percent of the allocation that went unused by the districts.

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In fiscal year 2003 the districts spent 98 percent of their management services grant, 97 percent of their technical services grant, and 96 percent of their administrative grant. These percentages were consistent with the last few years. Districts claimed \$516,827 or 91 percent of the \$570,000 allocated for the matching grant program. They were able to claim a high percentage because last year the commission decided to over obligate in the matching grant program. There was a total of \$657,499 in proposals received and there were claims for \$516,827.

Of the \$7,661,992 available in the district assistance grant, 83 percent was used for personnel related expenses and 11 percent was used for other expenses such as, information/education activities, office administration, supervisor expenses, machinery, and office equipment. Over the past four years the cost for personnel has increased by 10 percent.

Of the \$500,000 expansion in the district assistance, \$151,562 went for manager/clerical expenses, \$203,350 for technical personnel, and \$110,24 went for administrative expenses. A total of \$465,153 of the expansion was used.

b. Review of Information/Education Grant Proposals

Jim Boschert presented a review of the Information/Education Grant proposals. This grant was started this year with \$250,000 that was redirected from the Loan Interest-share Program. The districts were to submit proposals for new and innovative information/education projects within their districts. Program staff received 60 proposals from 46 districts. The total amount requested for all of the proposals was \$425,000.

The proposals were sent to committee members to rank according to the criteria that was developed by the committee and approved by the commission. The committee met on October 22, 2003, to discuss the proposals. The committee consisted of program office staff, one person from the Natural Resources Conservation Service, the extension, and the commission. A list of the proposals received and the recommended funding was handed out to the commission table.

The committee looked at each proposal as a group and discussed them as they were submitted. The committee had to decide whether to fund the project fully, eliminated part of the funding, or not to recommend funding the proposal at all. The following reasons were used to determine what

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level of funding districts received. The reasons were: if the group did not see the project as a proper use of the tax money, did not fall under the commission's mission, did not appear to be innovative for the district that submitted the proposal, or if the 30 percent salary cap had been met. In some cases the committee eliminated the funding for an entire project that did not meet the criteria.

It was recommended that the commission fund 37 projects, for a total of \$185,335, which was the recommended budget that the committee agreed on. By approving the projects, the commission is committed to further funding if the districts show progress each year that it is reviewed.

The most common reason that a project was not recommended for funding was that the committee did not see the project fitting into the commission's mission.

When asked, Mr. Boschert indicated that 60 proposals were submitted to the committee.

Larry Furbeck made a motion to approve the proposals as recommended by the committee. Kirby VanAusdall seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

Of the \$250,000 available, only \$185,335 was obligated, which left \$64,665 not used. The committee recommended that the commission approve a second call for proposals. If approved, a letter would go out to the districts asking that proposals be submitted to the program office by January 1, 2004. The committee would review the proposals and make recommendations to the commission. The funding would have to be used in fiscal year 2004 and no funding would be available for personnel.

Elizabeth Brown stated that she felt that an educational resource for use in the urban area was appropriate for educational purposes. David Baker stated that he asked the staff to give him what the constitution stated that the sales tax could be used for. His concern was that the proposal that were coming out of the urban areas were more towards the construction industry. When he looked at these he asked that if they used the sales tax, would it be opening up an audit exception by approving proposals that were targeted to the building industry. Scott Totten stated that 319 funds are being used for training opportunities for the St. Louis Homebuilders

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Association on good erosion control practices. Ms. Brown asked what kinds of proposals did the urban areas submit. Mr. Baker stated that what he could remember was targeted toward builders and contractors, relating to construction site soil and water conservation issues. Harry Bozoian said that he had not seen any of the proposals, but the tax dollars must be used to save soil and water for agricultural land.

Larry Furbeck made a motion to approve a second call for information/education proposals as recommended by committee. Kirby VanAusdall seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

E. REVIEW/EVALUATION-CONTINUED

1. Land Assistance Section

a. Cost-share

2. Loan Interest-share Fiscal Year 2003 Evaluation Report

Marcy Oerly presented the fiscal year 2003 Loan Interest-share annual report.

The purpose of the Loan Interest-share Program is to promote the use of management practices that help prevent or control soil erosion. The program provides an interest refund incentive that returns a portion of the interest to the participant on a conventional loan obtained for eligible erosion control or prevention practices and equipment that are included in the participant's conservation plan. The participant's regular lender provides the actual loan, with a minimum principal amount of \$2,500.00 and a maximum of \$25, 000.00.

Ten years is allowed for repayment of the loans, except in the case of equipment loans, in which the maximum repayment period is five years.

Participants may apply to their local soil and water conservation districts for program assistance. The Loan Interest-share application and worksheet signed by the landowner, technician, and lender, is forwarded to the district board for approval. The application is then sent to the commission for further approval. Once the commission's approval is given, the lender can finalize the loan.

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The state refunds a portion of the participant's interest expense at the end of each year of program participation. Interest rebates are based on the State Treasurer's monthly rate for invested State funds. Each year of participation, the lender must certify that interest was paid and a technician also must certify that the specified practices are being maintained and the management requirements are being followed. Participants may have no more than one loan receiving interest-share benefits at a time, and cannot participate in the program twice for the same type of practice or piece of equipment.

Practices and equipment that are eligible for participation are the following: All Standard Erosion Control and Prevention Practices, new or used no-till drills and planters, earthmoving scrapers, ridge-till planters and cultivators, animal waste systems, subsoilers, lagoon and deep pit agitation equipment, and strip tillage equipment.

Next Ms. Oerly reviewed some of the program's usage and financial expenditures throughout the state. There were 427 payments processed in fiscal year 2003, which allowed the program to refund approximately \$178,000.00 in landowner interest reimbursement payments. Of the interest refunded, 51 percent was for no-till drills, 45 percent for no-till planters, and 4 percent was for all other eligible items. "Other" included scrapers, ridge-till cultivators and planters, subsoilers, lagoon and deep pit agitation equipment, lagoons, the attachments necessary to make conventional planting equipment capable of no-till or ridge-till, and all standard conservation practices.

The number of districts participating in the program in fiscal year 1987 was 43, and in fiscal year 1994 there were 91. There were 70 districts in fiscal year 2003, and there are currently 70 districts participating. As of the date of the meeting there were 44 districts that did not have any active loans.

The southern portion of the state is where the majority of the districts do not have any active loans. This part of the state is where grassland and forestland are typical of the counties' land uses. In that area of the state, the participation in the Loan Interest-share Program may be low because the practices the

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landowners use most can be cost-shared through the state's Cost-share Program or the United States Department of Agriculture's Environmental Quality Incentive Program. In the regular Loan Interest-share Program rules prevent landowners from participating in both cost-share and loan interest-share on the same practice. Because of this, landowners choose to use the Cost-share Program because it offers them more return on their money.

Of the 44 districts not participating in the program, only 16 districts had never participated in the program at any time during the history of the program. These districts are located in the southern part of the state.

Some of the types and numbers of practices and equipment that participated in the Loan Interest-share Program are as follows. There were 61 No-till planters in 1987, in 1992 the total was 348 and in fiscal year 2003 there were 193 enrolled in the program. For no-till drills there were 20 in 1987, 372 in both 1999 and 2000, and fiscal year 2003 there were 218 enrolled in the program. There were 13 other practices in 2002 and 98 in 1992, and 15 in fiscal year 2003.

State payments made by the Loan Interest-share Program, ranged from a low of \$57,377 in 1987 to a high of \$479,688 in 1992. In fiscal year 2003, the total of payments made was \$177,055. The decrease was most likely due to the poor economy and the extremely low interest rates received on invested state funds. The average interest rate in fiscal year 2003 was 2.49 percent compared to 4.32 percent received in fiscal year 2002, and the 5.69 percent received in fiscal year 2001, this is a difference of 3.2 percent in two years. The decrease may have also been due to the fact that landowners cannot participate in the program twice for the same type of practice or piece of equipment. The program may be starting to be saturated with landowners that have reached their participation limitations. The decrease may also be due to the fact that equipment dealers have been providing very attractive financing incentives which would prevent landowners from participating in the Loan Interests-share Program if they chose to use dealer financing. It appears that the \$300,000 appropriation will be adequate to cover current obligations.

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During the discussion, a question was asked about the approval of a scraper over six yards. Ms. Oerly responded that the commission decided to make it an exception that one time.

3. Regular Cost-share Fiscal Year 2003 Evaluation Report

Noland Farmer presented a report on regular cost-share for fiscal year 2003. In fiscal year 2003 districts were allocated \$23,800,000 for regular cost-share. There were 6,526 claims in fiscal year 2003 for a total of \$20,700,000; the average cost per practice was \$3,172.95. In fiscal year 2002, the total was \$21,800,000 for 6,997 claims; the average cost per practice was \$3,118.72.

There was a total of 4,000,000 tons of soil saved in fiscal year 2002 and 3,400,000 tons of soil saved in fiscal year 2003. According to the amounts above, the cost of a ton of soil saved in fiscal year 2002 was \$5.44 compared to \$6.10 in fiscal year 2003. These costs are per ton of cost-share dollars paid to landowner and not on the actual cost incurred by the landowner to install the practice. It was noted that in fiscal year 2003, Atchison saved the most soil. The county saved 232,000 tons; the total cost for this was \$707,608.04, which would be \$3.05 per ton.

In fiscal year 2002 funds were spent on 115,000 acres of agricultural land as compared to 105,000 acres in fiscal year 2003, this was a decrease of 8.6 percent.

Some of the practices that were completed in fiscal year 2003 were: Tile Terraces (1,302), Earthwork Only Terraces (377), Tile Terraces (1,302), Water Impoundment Structures (1,068), Sediment Retention, Erosion or Water Control Structures (842), and Permanent Vegetative Cover Establishment (839).

In fiscal year 2003 the following practices had an increase over fiscal year 2002: Planned Grazing System with pond up 26 percent, Critical Area Seeding up 12 percent, Sod Waterways up 8 percent, and Terrace System with tile up 3.7 percent. Overall there was not a significant difference between the number of practices claimed in fiscal year 2002 and the number claimed in fiscal year 2003.

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Terraces and Water Impoundment Reservoirs were the two practices that used the most cost-share dollars with 39 percent and 28 percent respectively.

The cost per ton of soil saved had steadily increased over the past five years. In fiscal year 1999 the cost was \$3.71 and in fiscal year 2003 the average cost was \$6.10. From fiscal year 2002 to 2003 there was an increase of 3.8 percent in the cost per ton.

In response to the commission, Mr. Farmer stated that the number of individual practices are staying the same, but it appeared that there are fewer tons of soil saved on many of the practices. An example that was given was gully erosion on a pond; the program is seeing the pre-erosion numbers going down. The sizes of the gullies that are being addressed are smaller. It is hard to get a trend out of the data since it covers the state. Mr. Farmer also stated that with some of the Water Impoundment Reservoirs they are seeing, the pre-install could be four or five tons and the post is one or zero. This seems to be a small amount of soil saved compared to the price, because the cost for the structure could be \$3,000 to \$8,250.

4. List of Approved Practices

Ron Redden presented an approval of eligible practices. The commission is required by regulation each year to affirm or modify the list of eligible practices that are available to the districts. The last time this was done was at the November 2002 meeting.

The commission was given a list of practices that are currently offered. The commission has in the past removed practices that were not being used; however, these practices are usually left on the list because they are good conservation practices even though they are not often used.

In fiscal year 2001, the commission chose to remove the following practices: Strip-Cropping, Contour Farming, and Windbreaks for certain eligible districts in southeast Missouri. In fiscal year 2002, Filter Strips were removed because it was only used one time.

Philip Luebbering asked about the critical habitat on old hog lots, if it was a separate practice or if it was incorporated. Mr. Redden

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stated that it would be part of the Critical Area Seeding practice and it would be able to be tracked. In regard to a Cropland Protective Cover, Mr. Redden said that he believes that there is less of a desire out there for the landowners to use a cover crop in the wintertime. This practice was used four times in fiscal year 2000 and not since then.

Larry Furbeck made a motion to approve the same list of eligible practices for fiscal year 2004 that was made available in fiscal year 2003. Philip Luebbering seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

5. Allocation of Additional Fiscal Year 2004 Cost-share Funds

Ron Redden asked for consideration to allocate most of the remaining fiscal year 2004 additional funds. At the September meeting, the commission decided to offer \$38,700 to each of the 76 districts that claimed at least 80 percent of their total fiscal year 2003 allocation.

Of the 76 districts that were offered additional funds, 70 accepted the entire \$38,700. Four of the remaining six did not want any more funds. Lawrence wanted an additional \$15,000 and Dunklin only wanted \$10,000. Of the \$2,941,000 offered, all but \$207,200 was accepted.

In the letter sent to the 76 districts offering them \$38,700, they were also asked if they wanted additional funds and if so, how much. There were 57 districts that indicated they would like additional funds and 45 of those indicated an amount. These 45 districts indicated that they could still use \$2,300,000 in addition to what they had already received.

Mr. Redden went back and reviewed the amount of funds that were requested for drought assistance in 2000 and 2001. The districts requested less than \$100,000 for drought assistance in 2000, and in 2001 the amount was even less than 2000. The commission set aside \$500,000 for drought assistance as a result of the decision made at the September meeting.

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It is believed that little of the pasture and hayland in north Missouri, which was the area most effected by the recent drought, will be eligible for drought reseeding compared to the drought in 2000 and 2001. This is because that a lesser percentage of the grasslands in the north had been completed with state cost-share than in the south. In the north, most cost-share goes to structures such as the water impoundment reservoirs, terraces, and waterways.

A memo to the districts asked that those that thought they would not be able to obligate and claim their entire allocation this year, to consider returning part of it back to the commission. This would not be done until January 1, so there could be even more money available for drought assistance if some districts accept this. It was believed that a few districts would respond and return some funds.

Mr. Redden indicated that by reallocating \$207,000 remaining and \$400,000 from the monies set aside for drought assistance, would provide an additional \$607,000 to the districts for regular cost-share practices.

With a total of \$607,000, the commission could provide an additional \$10,000 - \$13,000 to districts depending upon how many districts the commission chose to allocate it to. There were four districts that claimed 76 – 79 percent of their fiscal year 2003 allocations that the commission might wish to consider for additional funds.

In response to a question from the commission regarding a back-up plan for the funds that were reallocated, Mr. Redden stated that the back-up plan would be the \$100,000 for drought assistance and any unclaimed funds that were returned.

Larry Furbeck made a motion to allocate funds to each of the 56 districts wanting funds plus the four districts that claimed between 78-79 percent last year, and Wayne and Howell. Philip Luebbering seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

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Mr. Redden stated that a letter was received from Ray County asking that eligibility for drought assistance be extended to reseeding grass back terraces and pond dams. Mr. Redden indicated that there would not be a large number that failed and asked if the commission would want to include them to for reseeding, and if so, a memo would go to the districts clarifying this. When asked by the commission, Mr. Redden stated that it would only be in the drought areas. Larry Furbeck asked about exposure on grass back terraces. Mr. Redden stated that there was not much. He also pointed out that he had not heard anything from districts about cost-share to reseed.

Larry Furbeck made a motion to allow \$100.00 limit for reseeding pond dams. Philip Luebbering seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

F. REQUESTS

1. District Assistance Section

a. Stone Soil and Water Conservation District Request for Boundary Realignment

Bill Wilson presented a request to redefine territory boundaries that are used in conducting supervisor elections. According to Title 10 of the Code of State Regulations, Division 70 – 2.020 Conduct of Supervisor elections, the Soil and Water Conservation District shall be partitioned by the commission into four territories for the purpose of identifying nominating committees and subsequently candidates for the office of Soil and Water Conservation District supervisor.

Stone County Soil and Water Conservation District Board of Supervisor requested that the commission allow them to change their boundaries due to a lack of farmland and farmers for potential supervisor positions in territory III.

The board proposed changing the boundaries for territories I and II. By doing so, it would provide additional farmland in territory III. The proposal would shrink territories I and II and add to territory III.

When asked about advantages and disadvantages to the other districts, Mr. Wilson stated that Stone believed it would add more farmland and farmers

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for them to select from. They have had a vacancy for approximately one year because they have not been able to find a candidate with the current boundaries. Sarah Fast informed the commission that they had heard a similar request from a different district. Mr. Wilson said that the most recent request was presented in July of 2002.

Larry Furbeck made a motion to approve the district to change the territory boundaries for area I, II, and III. Philip Luebbering seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

2. Land Assistance Section

a. Cost-share

1. Saline Soil and Water Conservation District – Exceed the \$8,250 Maximum Cost-share Limit on a Water Impoundment Reservoirs

Ron Redden presented a request from the Saline Soil and Water Conservation District to allow them to approve an application for a Water Impoundment Reservoir in the amount of \$33,000.

According to commission policy, the limit of cost-share for a landowner is \$8,250 per practice for a Water Impoundment Reservoir.

This was the second time that the commission was asked to exceed the \$8,250 limit by the Saline Soil and Water Conservation District. The first time this came before the commission, the board requested that instead of the landowner building two separate structures and receiving \$8,250 on one and \$6,000 on the other, the board requested that the landowner be allowed to complete the single structure and apply the cost-share he would have received separately to the single structure. At that time the commission approved the request. This time the board asked that they be allowed to approve the landowner for \$33,000 on a single structure and then the landowner would not be allowed to participate in the State Cost-share Program for the next four years.

According to records, last year landowners completed 126 Water Impoundment Reservoir structures that exceeded \$11,000 in cost, and the limit for cost-share was \$8,250. There was also another 62

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structures completed with a cost in excess of \$11,000 and the board had a limit of \$8,000 or less. Currently there are approximately 25 boards that have limits of \$3,500 - \$8,000 on water impoundment reservoirs.

Ron noted that Saline did not approach the commission to request an exception each time the cost exceeds \$11,000. Last year the board limited cost-share to \$8,250 four times, when the actual costs were between \$11,900 and \$19,700.

If the commission approved the board's request to provide cost-share up to \$33,000 on a single Water Impoundment Reservoir, the board's letter indicated the landowner would not be eligible for cost-share until fiscal year 2008.

When asked by the commission, Roger Hansen indicated that he did not have any other figures other than what the commission had before them.

Billy Summers, the landowner, stated that he first asked for the pond in 1990. The reason that it was turned down was because it was too big and too much money. Last year Darrell Campbell, the engineer, looked at the area and agreed that it needed to be done. A geologist took soil samples and stated that the dirt was all right. Since that time the ditch has eroded about eight feet, straight down the bank. It drains 467 acres, and there is a 14-½ acre flood area. Mr. Summers was told that it would cost between \$38,000 - \$40,000 for this. He agreed that if this were the only way, he would forgo cost-share for the next four years.

When asked about legal advice, Harry Bozoian stated there is a limit set for cost-share, if they exceeded then precedence would be set, and others would request to exceed the limit.

When asked, Mr. Redden indicated that there are not a lot of requests any more to exceed the \$8,250 limit. He also stated that in 1997 and 1998 there were numerous requests. Since that time, the commission has denied enough that the boards rarely request them anymore. In regards to the cost-share for Saline, the funds would come out of this fiscal year allocation. Harry Bozoian asked the landowner if he would be forgoing other projects in the next three or four years and the landowner replied that he would.

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Philip Luebbering stated that it was a major problem that needed to be fixed, but the issue was exposure. Mr. Redden reviewed with the commission that at the end of October the district still had \$100,000 that was not obligated, plus they were given an extra amount earlier at the meeting.

Larry Furbeck stated that the commission had done this in the past with Holt County. What he liked about their presentation was that they offered alternatives to solve the same problem, and in the case before the commission, there were no alternatives presented.

Larry Furbeck made a motion to deny the board's request. Kirby VanAusdall seconded the motion. When polled, Philip Luebbering, Kirby VanAusdall, Larry Furbeck, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

2. Cole Soil and Water Conservation District – Allow Board to Approve a Landowner for a Water Impoundment Reservoirs on a Field to Correct a Failed Permanent Vegetative Cover – Critical Areas

Ron Redden presented a request from Cole Soil and Water Conservation District to allow them to approve a Sediment Retention Basin to correct an erosion problem in which a Critical Area Seeding practice implemented last year failed.

Mr. Redden stated that he did not know if there was any precedence for the kind of issue before the commission. There had been situations in which a landowner wanted a practice other than the one completed with cost-share. The example given was if a landowner constructed a waterway on a field and later wished there was a terrace because it was more convenient. In that situation, the landowner would be required to repay cost-share on the first practice releasing him/her from any maintenance responsibility. Then the board would be free to provide cost-share for the practice that was more appropriate to address the situation.

In August 2001, the board approved the landowner to implement a three-acre critical area seeding to address a gully erosion problem.

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On November 1, 2001, the practice was certified complete, and on March 7, 2002, the board approved the cost-share claim.

A letter from the Natural Resources Conservation Service technician indicated that the original seeding died out as a result of drought conditions, leaving a significant amount of bare ground. Along with the failed grass stand, water flow from the creek resulted in even more gully erosion throughout the length of the area. As a result, the Natural Resources Conservation Service believed that the erosion had developed to the extent that a structure was needed to stabilize the erosion. Their suggestion was to construct a dry hole structure with an underground tile outlet.

The board was supportive of this and requested that the landowner not be required to pay back cost-share for the failed practice that was constructed in 2001.

In response to a question, Mr. Redden stated that the landowner received \$1,867 in cost-share for the original practice. The new practice was estimated at \$5,187 with an estimated cost-share amount of \$3,890. The Natural Resources Conservation Service technician stated that a structure would get rid of a lot of the drainage coming into it.

Philip Luebbering made a motion to approve the board's request. Larry Furbeck seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

3. Monroe Soil and Water Conservation District – Practice Started Prior to Board Approval

Ron Redden presented a request from the Monroe Soil and Water Conservation District asking that cost-share be approved for a landowner that started a waterway practice prior to the board's approval.

The commission's regulations state that the board can not approve an application for cost-share assistance on which the construction or implementation had already begun.

In July 2002, the landowner's application was first approved for cost-share assistance to construct a waterway. At that time, the field was planted in beans and the landowner wanted to wait until after the harvest to build the waterway. The landowner cancelled the application due to a poor bean crop.

The landowner called in November 2002, indicating that he would like to construct the waterway the next fiscal year, after the wheat harvest in June or July 2003. He was instructed to re-apply by December 31, 2002, and his operator did.

During the signup period landowners were told that they could expect board approval usually within the second week of July, but should wait until they received an approval letter. Due to challenges regarding the establishment of new county average costs, the district was not able to approve applications as soon as they had expected to. Because of this, the board did not get the application approved until July 22, 2003, and the operator mistakenly thought he did not need board approval for re-applying. As a result, construction started on July 8, 2003, which was approximately two weeks prior to board approval.

Because of the misunderstanding, the board is revising their policy to require plans be returned when an application is cancelled.

In response to a question, Mr. Redden stated that the landowner had the plans because he was originally approved in the fall of 2002.

Larry Furbeck made a motion to provide the board with a variance to the rule requiring the application be approved before the practice begins and approve the board's request. Philip Luebbering seconded the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

4. Ray Soil and Water Conservation District – Practice Started Prior to Board Approval

Ron Redden presented a request from the Ray Soil and Water Conservation District asking that cost-share assistance be provided

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for a Critical Area Seeding practice that was started prior to board approval.

The commission's regulations state that a board can not approve an application for cost-share assistance on which the construction or implementation had already begun.

A landowner was being considered for cost-share assistance for a Permanent Vegetative Establishment Practice on a field. At approximately the same time it was realized that in addition to the Permanent Vegetative Establishment Practice, a gully in the same field would need to be addressed with a Critical Area Seeding. The application for the Critical Area Seeding that the landowner signed was printed on August 12, 2003, signed by the landowner on August 21, 2003, and the board approved it on August 27, 2003. The invoice for the earthwork for the Critical Area Seeding was dated August 12, 2003. It was noted that the Permanent Vegetative Establishment Practice was correctly started and completed after the board approved the application in September.

The district contacted Mr. Redden by phone and indicated that the application printed on August 12, 2003 was not the first one sent to the landowner for signature. This was due to the changes with establishing the new county average cost list in July. The district said that new revised copies were sent to the landowner, but they did not keep a copy. As far as Mr. Redden knew, the only copy approved by the board was the one signed by the landowner on August 21, 2003, and approved by the board on August 27, 2003. Since the work had been completed in accordance with Natural Resources Conservation Service specifications, the board asked that the cost-share claim be paid in the amount of approximately \$1,300.

When asked about multiple applications, Mr. Redden indicated that the landowner had an application to reseed the entire field, which was not completed until September. The board said that the critical area seeding application the landowner signed was not the first one that they had sent him. The application for Permanent Vegetative Establishment Practice was approved in September.

Philip Luebbering made a motion to deny the board's request until the commission hears more information. Larry Furbeck seconded

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the motion. When asked by the chair, Larry Furbeck, Philip Luebbering, Kirby VanAusdall, and Elizabeth Brown voted in favor of the motion and the motion carried unanimously.

G. NRCS REPORT

Roger Hansen presented two informational items for the commission. Last spring or summer a district employee in Chariton County described a serious erosion problem above Marceline City Lake. An issue involving the Conservation Reserve Program buffer and the state cost-share program was discussed. At that time the commission denied the request because of the conflict between the state and federal programs. The commission asked that Natural Resources Conservation Service check into the Environmental Quality Incentive Program as a possible solution to the erosion problem. According to Roger Hansen, the landowner applied for the Environmental Quality Incentive Program and the landowner's request was funded when the Natural Resources Conservation Service received an additional \$2,000,000 late in the fiscal year.

In regards to the office consolidation, the Secretary of Agriculture had a task force working on the office consolidation project. A national criterion was used to rank the 700 – 800 offices across the country. The task force came up with a proposed list of 200 offices to consolidate. One or two offices in Missouri may be affected if the Secretary approves the final report.

H. STAFF REPORT

Sarah Fast informed the commission that in the Missouri Resources magazine Scott Totten authored an article on Cultivating Partnerships. The article talked about the Soil and Water Conservation Program and other programs within the Department of Natural Resources. A copy of the article was given to each person at the table.

Sarah Fast indicated that she would have Milt update the commission on sales tax revenue and the "E" budget issue at the next commission meeting.

In regards to new staff, Sara Fast informed the commission that the Cost-share Unit lost one employee, April Brandt who moved over to the Special Area Land Treatment Unit. Crystal Johnson who was the computer specialist with the program left to take a position in private industry.

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I. DATE OF NEXT MEETINGS

The date of the next commission meeting was set for Monday, December 1, 2003, beginning at 9:30 a.m. at Tan-Tar-A in the Parasol I/II Meeting Room in Osage Beach, Missouri.

The date for the January meeting will be decided at the December meeting.

J. ADJOURNMENT

Larry Furbeck moved the meeting be adjourned. Kirby VanAusdall seconded the motion. Motion approved by consensus at 2:12 P.M.

Respectfully submitted,

Sarah E. Fast, Director
Soil and Water Conservation Program

Approved by:

Elizabeth Brown, Chairman
Missouri Soil & Water Districts Commission

/tm